

Exhibit No:  
Issues: Accounting Record  
Keeping  
Witness: Beverly R. Agut  
Type of Exhibit: Rebuttal Testimony  
Sponsoring Party: Aquila Networks  
Case No: GR-2004-0072  
Date to Be Filed: February 13, 2004

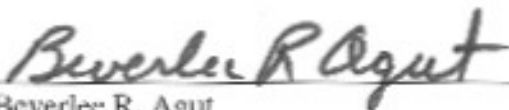
**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

**REBUTTAL TESTIMONY  
OF  
BEVERLEE R. AGUT**

State of MISSOURI )  
                                  ) ss  
County of JACKSON )

**AFFIDAVIT OF BEVERLEE R. AGUT**

Beverlee R. Agut, being first duly sworn, deposes and says that he is the witness who sponsors the accompanying testimony and schedules entitled "Rebuttal Testimony of Beverlee R. Agut"; that said testimony was prepared by him and/or under his direction and supervision; that if inquiries were made as to the facts in said testimony and schedules, he would respond as therein set forth; and that the aforesaid testimony and schedules are true and correct to the best of his knowledge, information, and belief.

  
Beverlee R. Agut

Subscribed and sworn to before me this 12<sup>th</sup> day of February, 2004.

  
Notary Public  
Terry D. Lutes

My Commission expires:

8-20-2004



**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI  
REBUTTAL TESTIMONY OF BEVERLEE R. AGUT  
ON BEHALF OF AQUILA, INC.  
D/B/A AQUILA NETWORKS-MPS AND AQUILA NETWORKS-L&P  
CASE NO. GR-2004-0072**

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Beverlee R. Agut and my business address is 10700 East 350  
3 Highway, Kansas City, Missouri 64138.

4 **Q. ARE YOU THE SAME BEVERLEE R. AGUT WHO SPONSORED DIRECT  
5 TESTIMONY IN THIS PROCEEDING BEFORE THE MISSOURI PUBLIC  
6 SERVICE COMMISSION (“COMMISSION”)?**

7 A. Yes.

8 **Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY IN THIS  
9 PROCEEDING?**

10 A. The purpose of my testimony is to respond to allegations made by witness Ted  
11 Robertson for the Office of the Public Counsel (“OPC”) regarding the financial  
12 accounting reports of Aquila (“Company”).

13 **FINANCIAL ACCOUNTING REPORTS**

14 **Q. WHAT ARE THE SPECIFIC ISSUES RAISED BY MR. ROBERTSON THAT  
15 YOU ARE ADDRESSING?**

16 A. I will specifically be addressing Mr. Robertson claims that:

17 1. The Company has been unable to produce a usable monthly detailed  
18 general ledger report.

19 2. Reliance on utility employees for access to financial data hinders an audit.

1           3.     The Company’s financial accounting system has not been set up to focus  
2           on regulated utility accounting information.

3   **Q.   HAS MR. ROBERTSON RAISED THESE ISSUES BEFORE IN PRIOR AQUILA**  
4   **RATE CASES?**

5   A.   Yes, and it is extremely frustrating that he continues to raise the same issues  
6       without offering any specific evidence or constructive ideas for improvement.

7   **Q.   WHAT EFFORTS HAS THE COMPANY MADE TO ENSURE THAT ALL**  
8   **EXTERNAL PARTIES WERE PROVIDED WITH GENERAL LEDGER**  
9   **INFORMATION THEY REQUIRED TO CONDUCT AN INDEPENDENT AUDIT?**

10 A.   As part of the pre-hearing conference in Missouri Public Service’s (“MPS”) last  
11       rate case No. ER-2001-672, I met with Messrs. Steve Traxler of the Commission  
12       Staff (“Staff”) and Ted Robertson of the OPC to define what they would consider  
13       a “usable” general ledger report. Based on their definitions, new general ledger  
14       reports were created as part of the Stipulation and Agreement for MPS and St.  
15       Joseph Light & Power (“SJLP”).

16       A.   MPS and SJLP division-specific ledgers on a Federal Energy Regulatory  
17           Commission (“FERC”) account basis that include both direct and allocated  
18           costs by resource code;

19       B.   MPS and SJLP division-specific ledgers on a FERC account basis that reflect  
20           only direct charges to the divisions by resource code;

21       C.   MPS and SJLP division-specific ledgers on a FERC account basis that reflect  
22           only costs allocated to the divisions by resource code;

- 1 D. Plant and Depreciation Reserve ledgers for the MPS and SJLP divisions that  
2 show beginning month balances, additions, and retirements, and ending  
3 month balances;
- 4 E. UtiliCorp (now Aquila) Enterprise Support Function (“ESF”) and Intercompany  
5 Business Unit (“IBU”) department costs allocated to the MPS and SJLP  
6 divisions on a resource code basis; and
- 7 F. ESF and IBU department costs, by resource code, which are not subject to  
8 allocation to the MPS or SJLP divisions. These non-allocated costs are also  
9 known as corporate retained costs.

10 These reports were provided to Staff and OPC in response to data information  
11 requests in this proceeding. Two meetings were subsequently held with both  
12 parties—once on August 16, 2002, and again on May 15, 2003, whereby the new  
13 reports were presented and explained. Neither party provided any written, formal  
14 comments regarding these reports nor asked for any modifications to the reports.

15 It appears the Staff was able to use these general ledger reports along with  
16 supplemental information to create a comprehensive revenue requirement  
17 calculation including proposed adjustments in this proceeding. Since August 16,  
18 2002, including the audit timeframe for this case, Mr. Robertson has never  
19 provided any formal comments or suggestions for improvements or modifications  
20 of the reports nor has he requested any additional general ledger reports. I was  
21 very surprised to learn that he had again filed testimony on this subject in this  
22 proceeding.

1 **Q. SINCE FILING HIS DIRECT TESTIMONY IN THIS PROCEEDING, HAS MR.**  
2 **ROBERTSON PROVIDED ANY SPECIFIC DETAILS REGARDING THE TYPE**  
3 **OF REPORTING FORMAT HE REQUIRES?**

4 A. In response to a recent Aquila data request, Mr. Robertson provided a  
5 representative design for a general ledger report that he desires.

6 **Q. WHAT IS MR. ROBERTSON'S DEFINITION OF A GENERAL LEDGER?**

7 A. On page 5 of Mr. Robertson's direct testimony, he describes a general ledger as  
8 containing "detailed" source transactions for financial data containing a complete  
9 descriptive listing of all vendors and/or charges and their associated costs.

10 **Q. DO YOU AGREE WITH MR. ROBERTSON'S GENERAL LEDGER**  
11 **DEFINITION?**

12 A. No. In reality, large corporations, such as Aquila, post summarized "batch"  
13 transactions to their ledger. An example of a batch posting would be payroll  
14 postings. Aquila employees are paid on a bi-weekly basis. The bi-weekly payrolls  
15 are posted to the ledger in a summarized or "batch" type mode. This type of posting  
16 then would not allow anyone examining the payroll posting to be able to obtain the  
17 payments made to any one individual employee. For confidentiality reasons, one  
18 could see the benefits to posting payroll in a batch mode. It is common for the  
19 details to actually be held in the subsidiary ledgers, or in Aquila's case, the  
20 subsidiary system modules. The details, i.e., payments to individual employees, for  
21 batch payroll postings can be derived from the Payroll system. This is true for all  
22 other types of batch postings such as Accounts Payable (vendor specific details),  
23 Accounts Receivable (customer specific details), Project Costing, Fixed Assets,

1 Inventory, etc. Therefore, the general ledger is synonymous with its name as it  
2 contains “general” financial data, not detailed financial data.

3 **Q. WERE ANY REPORTS PROVIDED IN THIS CASE IN SUPPORT OF THESE**  
4 **DETAILED SUBSIDIARY SYSTEMS?**

5 A. The OPC never issued any data requests for detailed reports. However, we did  
6 respond to Staff data requests for detailed information. We provided information  
7 to the Staff of detailed Payroll transactions by employee by pay date (MPSC-  
8 75.3), detailed Accounts Payable transactions by vendor by date for corporate  
9 overhead allocations (MPSC-219), and detailed transactions by employee, by  
10 vendor, by business purpose for corporate employee business expenses (MPSC-  
11 219).

12 **Q. DID THE PRIOR MPS GENERAL LEDGER SYSTEM PERFORM BATCH**  
13 **PROCESSING AND POSTINGS?**

14 A. Yes it did.

15 **Q. WHAT OTHER UTILITY COMPANIES UTILIZE BATCH TRANSACTION**  
16 **POSTING TO THEIR LEDGERS?**

17 A. I contacted accounting personnel at The Empire District Electric Company, Ameren,  
18 Missouri Gas Energy, and Kansas City Power & Light Company. All of these utility  
19 companies utilize batch transaction postings to their general ledgers. In addition,  
20 the prior St. Joseph Light & Power Company general ledger utilized batch  
21 transaction postings.

1 **Q. HAS AQUILA PROVIDED A MONTHLY GENERAL LEDGER REPORT TO THE**  
2 **OPC THAT IS DIFFERENT THAN THE REPORTS LISTED IN THE**  
3 **STIPULATION AND AGREEMENT OF CASE NO. ER-2001-672?**

4 A. Yes. In the last MPS rate case (No. ER-2001-672), a general ledger report was  
5 prepared and presented to the OPC. The report was voluminous and consisted  
6 of approximately 20 boxes of paper. It contained exactly the information as  
7 processed in the ledger. It is my understanding, the OPC found this report  
8 unusable, and hence, it was not created again during the course of the audit in  
9 the current case. A sample of this report is attached to my rebuttal testimony and  
10 labeled Rebuttal Schedule BRA-1, FERC Trial Balance Activity Report, internally  
11 named "GLS1515". In lieu of this report, we created new standard reports as  
12 listed in Case No. ER-2001-672's Stipulation and Agreement. Several of the new  
13 standard general ledger reports were attached to my direct testimony in this  
14 proceeding listed as Schedules BRA-1 through BRA-8.

15 **Q. EARLIER YOU MENTIONED THAT MR. ROBERTSON PROVIDED A SAMPLE**  
16 **GENERAL LEDGER REPORT IN RESPONSE TO A RECENT AQUILA DATA**  
17 **REQUEST. HOW DOES THE RECENTLY DEFINED REPORT DIFFER FROM**  
18 **THE REPORT ATTACHED AND DESIGNATED REBUTTAL SCHEDULE BRA-**  
19 **1?**

20 A. I have attached a copy of Mr. Robertson's response, designated Rebuttal Schedule  
21 BRA-2. When I compared the GLS1515 report with the one Mr. Robertson created,  
22 the only apparent changes that would be required based upon our financial  
23 accounting system's general ledger fields are listed below. Since our general ledger



1 posts in a batch mode, the invoice specific information is not contained in the  
2 general ledger, but rather in the subsidiary Accounts Payable system.

3 1. Remove supplementary coding information. Specifically, delete code block  
4 columns labeled for Process ("Proc"), Resource Code ("Resrc"), Source Department  
5 ("Dept"), Charge to Department ("Chrg Dept"), Product ("Product"), and Affiliate  
6 ("Affl").

7 2. Add an additional column for Journal Line Description (the field that holds the  
8 voucher number and vendor name).

9 3. If possible, combine the debit and credit amounts into one column whereby  
10 debit equals positive amount and credit would be prefaced with a negative ("-")  
11 sign. This change would merely be for visual purposes.

12 Although these changes could be made to the GLS1515 report, it would still not  
13 decrease the number of lines in the report, i.e., we would still be back to the 20  
14 boxes of paper. In lieu of 20 boxes of paper, the data could be provided  
15 electronically in the form of a flat file. This is the format chosen by the IRS, to  
16 which we provide information on an annual basis. They then load the flat file into  
17 their own audit software.

18 **Q. HAS THE FERC TRIAL BALANCE ACTIVITY REPORT, GLS1515, REBUTTAL**  
19 **SCHEDULE BRA-1, BEEN UTILIZED BY ANY OTHER REGULATORY BODY?**

20 A. Yes, this general ledger report was utilized by the Michigan Public Service  
21 Commission Staff in their audit of our recent Michigan rate increase application  
22 approved March 12, 2003. I would like to add that the Michigan Commission Staff  
23 also conducted their entire financial audit off-site by utilization of this general ledger

1 report and additional information provided by employees through data information  
2 requests, including requests for additional financial data detail.

3 **Q. ON PAGE 5 OF HIS DIRECT TESTIMONY, MR. ROBERTSON STATES THAT**  
4 **SOLE RELIANCE ON UTILITY EMPLOYEES FOR ACCESS TO FINANCIAL**  
5 **DATA SERIOUSLY HINDERS AN AUDIT. DO YOU AGREE?**

6 A. I do not agree with Mr. Robertson. It is common for employees to provide  
7 additional detailed financial information and analysis in support of its financial  
8 reports during the context of an audit. During 2002 and 2003, Aquila was  
9 involved with numerous external auditors representing the FERC, IRS, and  
10 KPMG. None of these external audit groups identified material weaknesses in  
11 internal controls relating to the financial reports, accounting system, or additional  
12 financial detail provided by Aquila employees.

13 **Q. DID AQUILA TAKE ANY ADDITIONAL MEASURES TO ENSURE THE**  
14 **AUDITORS' INDEPENDENCE IN THIS CASE?**

15 A. On October 6, 2003, Aquila developed a new financial accounting screen through  
16 our PeopleSoft software which allowed electronic computer on-line access viewing  
17 to all income statement related financial accounting transactions for its enterprise  
18 support function, networks headquarters, MPS, and SJLP operations. This on-line  
19 access also included detail for all employee business expenses and all accounts  
20 payable transactions (actual invoice showing vendor, transaction date, business  
21 purpose). It allowed the auditor to selectively view smaller amounts of data at a  
22 time based on the auditor's selection criteria. The access was made available

1 twenty-four hours a day, seven days a week, to both the Staff and OPC auditors at  
2 our Raytown facility.

3 **Q. YOU PREVIOUSLY STATED THAT THIS ON-LINE VIEWING ACCESS WAS**  
4 **RESTRICTED TO YOUR RAYTOWN FACILITY. WHY COULDN'T THIS**  
5 **ACCESS BE GRANTED TO OTHERS OFF-SITE, FOR EXAMPLE IN**  
6 **JEFFERSON CITY?**

7 A. It is currently against Company policy to allow access to Company  
8 systems/resources from non-Aquila computers. Specifically, this addresses the  
9 virus protection that is maintained on these computers and the technical support  
10 of the computers should there be a problem. We are compelled to secure our  
11 data by various government agencies to prevent tampering. Broader external  
12 access would require technical evaluation and security assessment. In addition,  
13 we may need to acquire additional physical resources to accomplish off-site  
14 access or enter into a contract with a third party to provide technical support to  
15 the computers in the city in which they are located.

16 **Q. DOES AQUILA'S FINANCIAL ACCOUNTING SYSTEM TAKE INTO**  
17 **CONSIDERATION REGULATORY ACCOUNTING REQUIREMENTS?**

18 A. Aquila's financial accounting system was designed with specific regulatory  
19 accounting requirements in mind for the seven-state operating area to which Aquila  
20 provides natural gas and electricity. I believe Mr. Robertson is confused about the  
21 complexity of Aquila's financial accounting system. He states that it was designed  
22 with the non-regulated business in mind and not the regulated utility business. In  
23 fact, the complexities are due to Aquila's seven-state **regulated utility** service area,

1 not the straightforward needs of its non-regulated operations. Specifically, Aquila  
2 has developed a complex allocations process that records in its general ledger  
3 allocations associated with corporate overheads as well as utility allocations  
4 (electric, gas, industrial steam, and non-regulated appliance repair). We utilize  
5 approximately 22 different allocation drivers for allocating corporate overheads.  
6 Although it has been implied that most overheads are allocated based on the  
7 Massachusetts Formula (net plant, gross margin, and payroll charged to expense),  
8 this statement is in fact false. Only 27% of costs are allocated on the generic  
9 Massachusetts Formula. The remaining overhead costs are allocated on 21 other  
10 specific drivers, for example, number of paychecks issued, number of journal line  
11 transactions, number of customers, net energy sales, gross property, number of  
12 computers supported, right-of-way projects by state, Mw capacity, employee  
13 headcount, etc. To the best of my knowledge, I do not know of any other utility in  
14 the state of Missouri that performs as complex of an allocations process or utilizes  
15 as many specific cost allocation drivers compared to Aquila. This process was  
16 designed with specific regulated utility requirements of equity and fairness in mind  
17 for distributing overhead costs to our seven state service area. This complex  
18 allocations process was implemented in 1997 and is detailed in Aquila's Cost  
19 Allocation Manual ("CAM") which is filed annually with each of Aquila's state  
20 Commissions including Missouri. Certainly, a non-regulated business would have  
21 no need of such a complex allocations process.

22 **Q. ARE THERE ANY OTHER AREAS OF YOUR FINANCIAL ACCOUNTING**  
23 **SYSTEM SPECIFICALLY DESIGNED FOR A REGULATED UTILITY?**

1 A. Yes. Since utilities are capital-intensive in nature and have specific accounting  
2 guidelines for self-constructed plant assets, Aquila has complex project costing  
3 and asset management systems to track these assets. The Accounting  
4 requirements for these assets are defined in Section 18 of the Code of Federal  
5 Regulations, Part 101 (Electric Plant Instructions) and Part 201 (Gas Plant  
6 Instructions). Again, the non-regulated merchant trading business has absolutely  
7 no need for these complex accounting systems.

8 **Q. ON PAGE 8 OF HIS DIRECT TESTIMONY, MR. ROBERTSON STATES THAT**  
9 **THE COMPANY'S ACCOUNTING SYSTEM IS COMPLICATED AND**  
10 **UNHELPFUL TO REGULATED AUDITORS. HOW DO YOU RESPOND?**

11 A. The accounting system is complicated not due to any requirements of our non-  
12 regulated businesses, but rather due to the accounting rule complexities in the  
13 Code of Federal Regulations for public utilities as well as the regulatory  
14 requirements for seven different state jurisdictions. Aquila has interacted with  
15 numerous external financial audit entities, and none have determined any  
16 material weaknesses in our accounting system or financial reports.

17 **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

18 A. Yes.

PeopleSoft GL  
FERC TRIAL BALANCE ACTIVITY REPORT  
For Fiscal Year: 2000 Period: 1 to 12 (incl adj)

Report ID: GLS1515  
Bus. Unit: MGD MGU Energy Delivery  
Currency Code: USD  
FERC

Acct	Jrnl_Date	Jrnl_ID	Seq_Line	Proc	Resrc_Dept	Chrg_Dept	Prod	Alloc_Project	Acct	Aff1	Jrnl_Hdr_Descr	Debit	Credit	Balance
894000	12/31/2000	ABIS130001	2585	135	1499 5883	5883	960		402000		ABC IS 960 No Cust T	0.00	706.52	
	12/31/2000	ABIS130001	2586	135	1821 5885	5885	103		402000		ABC IS 960 No Cust T	700.80	0.00	
	12/31/2000	ABIS130001	2588	135	1821 5885	5885	960		402000		ABC IS 960 No Cust T	0.00	796.13	
	12/31/2000	ABIS130001	2589	135	1822 5885	5885	103		402000		ABC IS 960 No Cust T	125.72	0.00	
	12/31/2000	ABIS130001	2591	135	1822 5885	5885	960		402000		ABC IS 960 No Cust T	0.00	142.82	
	12/31/2000	ABIS130001	2592	135	1899 5881	5881	103		402000		ABC IS 960 No Cust T	1,879.02	0.00	
	12/31/2000	ABIS130001	2594	135	1899 5881	5881	960		402000		ABC IS 960 No Cust T	0.00	2,134.63	
	12/31/2000	ABIS130001	2595	282	1001 5700	5880	103	359	402000		ABC IS 960 No Cust T	204.20	0.00	
	12/31/2000	ABIS130001	2597	282	1001 5700	5880	960	359	402000		ABC IS 960 No Cust T	0.00	231.98	
	12/31/2000	ABIS130001	2607	282	9103 5700	5880	103	359	402000		ABC IS 960 No Cust T	0.00	0.00	
	12/31/2000	ABIS130001	2609	282	9103 5700	5880	960	359	402000		ABC IS 960 No Cust T	26.55	0.00	
	12/31/2000	ABIS130001	2616	282	9112 5700	5880	103	359	402000		ABC IS 960 No Cust T	0.00	30.16	
	12/31/2000	ABIS130001	2618	282	9112 5700	5880	960	359	402000		ABC IS 960 No Cust T	27.77	0.00	
	12/31/2000	ABIS130001	2626	532	1104 5882	5882	103	358	402000		ABC IS 960 No Cust T	0.00	31.55	
	12/31/2000	IBU27C0001	86	135	1000 5495	5434	103	358	402000		UED Gas Telecom - MI	126.45	0.00	
	12/31/2000	IBU27C0001	87	135	1002 5495	5434	103	358	402000		UED Gas Telecom - MI	63.18	0.00	
	12/31/2000	IBU27C0001	88	135	1405 5495	5434	103	358	402000		UED Gas Telecom - MI	547.56	0.00	
	12/31/2000	IBU27C0001	89	135	9004 5495	5434	103	358	402000		UED Gas Telecom - MI	6.00	0.00	
	12/31/2000	IBU27C0001	92	135	9103 5495	5434	103	358	402000		UED Gas Telecom - MI	58.70	0.00	
	12/31/2000	IBU3A0001	94	135	9113 5495	5434	103	358	402000		UED Gas Telecom - MI	79.40	0.00	
	12/31/2000	IBU3A0001	315	282	1001 5700	5880	960	359	402000		UED Customer Care VP	1.10	0.00	
	12/31/2000	IBU3A0001	319	282	9103 5700	5880	960	359	402000		UED Customer Care VP	231.98	0.00	
	12/31/2000	IBU3A0001	322	282	9112 5700	5880	960	359	402000		UED Customer Care VP	30.16	0.00	
	12/31/2000	5001101	19	490	1821 2301	6144	103		402000		December FERC Deriva	31.55	0.00	
	12/31/2000	5001101	21	490	1408 2300	6144	103		402000		December FERC Deriva	875.00	0.00	
894000	Total Activity:												532,296.17	
	Ending Balance:												532,296.17	

Acct	Jrnl_Date	Jrnl_ID	Seq_Line	Proc	Resrc_Dept	Chrg_Dept	Prod	Alloc_Project	Acct	Aff1	Jrnl_Hdr_Descr	Debit	Credit	Balance
895000	Beginning Balance:												0.00	
	02/03/2000	PRLD700002	867	555	9103 5432	5432	103		402000		Compensated Absences	7.20	0.00	
	02/04/2000	PAY0341215	943	555	1002 5432	5432	103		402000		TIME & ATTEND UCU	55.35	0.00	
	02/18/2000	PAY0492358	888	555	1002 5427	5427	103		402000		TIME & ATTEND UCU	182.04	0.00	
	02/18/2000	PAY0492358	889	555	1002 5432	5432	103		402000		TIME & ATTEND UCU	927.50	0.00	
	02/18/2000	PAY0492358	890	555	1002 5885	5885	103		402000		TIME & ATTEND UCU	143.36	0.00	
	02/18/2000	PAY0492358	891	555	9004 5432	5432	103		402000		TIME & ATTEND UCU	23.95	0.00	
	02/21/2000	PRLD700002	811	555	9103 5427	5427	103		402000		Compensated Absences	23.67	0.00	
	02/21/2000	PRLD700002	812	555	9103 5432	5432	103		402000		Compensated Absences	120.58	0.00	
	02/21/2000	PRLD700002	813	555	9103 5885	5885	103		402000		Compensated Absences	18.64	0.00	
	03/04/2000	PAY0702342	845	555	1002 5432	5432	103		402000		TIME & ATTEND UCU	352.10	0.00	
	03/04/2000	PAY0702342	846	555	9004 5432	5432	103		402000		TIME & ATTEND UCU	989.18	0.00	
	03/07/2000	INVT051937	15	555	1100 5565	5432	103		402000		Inventory Transactio	79.84	0.00	
	03/13/2000	HTLD200001	6	555	9002 5565	5432	103		402000		Materials Loading St	27.95	0.00	
	03/17/2000	PRLD700002	775	555	9103 5432	5432	103		402000		Compensated Absences	43.17	0.00	
	03/17/2000	PAY0772354	833	555	1002 5432	5432	103		402000		TIME & ATTEND UCU	789.03	0.00	
	03/17/2000	PAY0772354	834	555	9004 5432	5432	103		402000		TIME & ATTEND UCU	755.78	0.00	
	03/20/2000	PRLD700002	789	555	9103 5432	5432	103		402000		Compensated Absences	102.57	0.00	

PeopleSoft GL  
FERC TRIAL BALANCE ACTIVITY REPORT  
For Fiscal Year: 2000 Period: 1 to 12 (incl adj)

Report ID: 6LS1515  
Bus. Unit: MGD MGD Energy Delivery  
Currency Code: USD  
FERC

Acct	Jrnl_Date	Jrnl_ID	Seq_Line	Proc	Resrc	Dept	Chrg	Prod	Alloc	Project	Acct	Affl	Jrnl_Hdr_Descr	Debit	Credit	Balance
895000	03/31/2000	PAY0902339	916	555	1002	5427	5427	103			402000		TIME & ATTEND UCU	73.08	0.00	
	03/31/2000	PAY0902339	917	555	1002	5432	5432	103			402000		TIME & ATTEND UCU	55.35	0.00	
	03/31/2000	PAY0902339	918	555	9004	5432	5432	103			402000		TIME & ATTEND UCU	7.15	0.00	
	03/31/2000	PRLD700002	785	555	9103	5427	5427	103			402000		Compensated Absences	9.50	0.00	
	03/31/2000	PRLD700002	786	555	9103	5432	5432	103			402000		Compensated Absences	7.20	0.00	
	04/12/2000	APAC054460	353	555	1899	5430	5430	103			402000		AP Accruals	64.05	0.00	
	04/12/2000	APAC054460	365	555	1199	5430	5430	103			402000		AP Accruals	50.61	0.00	
	04/12/2000	APAC054460	405	555	1899	5430	5430	103			402000		AP Accruals	195.27	0.00	
	04/12/2000	APAC054460	553	555	1199	5430	5430	103			402000		AP Accruals	0.80	0.00	
	04/12/2000	APAC054460	555	555	1199	5430	5430	103			402000		AP Accruals	6.03	0.00	
	04/12/2000	APAC054460	657	555	1899	5430	5430	103			402000		AP Accruals	5.91	0.00	
	04/12/2000	APAC054460	659	555	1899	5430	5430	103			402000		AP Accruals	3.13	0.00	
	04/12/2000	APAC054460	661	555	1899	5430	5430	103			402000		AP Accruals	31.50	0.00	
	04/12/2000	APAC054460	695	555	1104	5885	5885	103			402000		AP Accruals	341.13	0.00	
	04/28/2000	PAY1182331	983	555	1000	5885	5885	103			402000		TIME & ATTEND UCU	27.74	0.00	
	04/28/2000	PRLD700002	869	555	9103	5885	5885	103			402000		Compensated Absences	3.61	0.00	
	05/02/2000	APAC056100	17	555	1199	5565	5565	103			402000		AP Accruals	722.41	0.00	
	05/12/2000	PAY1370028	1015	555	1002	5885	5885	103			402000		TIME & ATTEND UCU	277.44	0.00	
	05/16/2000	PRLD700002	921	555	9103	5885	5885	103			402000		Compensated Absences	36.07	0.00	
	05/23/2000	APAC057864	21	555	1104	5885	5885	103			402000		AP Accruals	457.67	0.00	
	05/23/2000	APAC057864	23	555	1104	5885	5885	103			402000		AP Accruals	311.26	0.00	
	05/26/2000	PAY1480009	997	555	1002	5430	5430	103			402000		TIME & ATTEND UCU	58.05	0.00	
	05/26/2000	PAY1480009	998	555	9004	5430	5430	103			402000		TIME & ATTEND UCU	34.10	0.00	
	05/31/2000	PRLD700002	905	555	9103	5430	5430	103			402000		Compensated Absences	7.55	0.00	
	06/09/2000	PAY1620014	1040	555	1000	5885	5885	103			402000		TIME & ATTEND UCU	22.19	0.00	
	06/13/2000	PRLD700002	887	555	9103	5885	5885	103			402000		Compensated Absences	2.88	0.00	
	09/01/2000	PAY2452309	1013	555	1001	5429	5429	103			402000		TIME & ATTEND UCU	114.35	0.00	
	09/05/2000	PRLD400001	318	555	9112	5429	5429	103			402000		Non-union Incentive	16.81	0.00	
	09/05/2000	PRLD700001	887	555	9103	5429	5429	103			402000		Compensated Absences	14.87	0.00	
	09/15/2000	PAY2600800	977	555	1002	5427	5427	103			402000		TIME & ATTEND UCU	38.24	0.00	
	09/15/2000	PAY2600800	978	555	1002	5430	5430	103			402000		TIME & ATTEND UCU	154.80	0.00	
	09/15/2000	PAY2600800	979	555	9004	5427	5427	103			402000		TIME & ATTEND UCU	602.14	0.00	
	09/18/2000	PRLD300001	247	555	9111	5427	5427	103			402000		Non-Productive Time	0.19	0.00	
	09/18/2000	PRLD300001	248	555	9111	5430	5430	103			402000		Non-Productive Time	0.77	0.00	
	09/18/2000	PRLD700001	829	555	9103	5427	5427	103			402000		Compensated Absences	4.97	0.00	
	11/10/2000	PAY3182321	1123	555	1000	5431	5431	103			402000		Compensated Absences	20.12	0.00	
	11/10/2000	PAY3182321	1124	555	1002	5431	5431	103			402000		TIME & ATTEND UCU	56.70	0.00	
	11/10/2000	PAY3182321	1125	555	9004	5431	5431	103			402000		TIME & ATTEND UCU	855.45	0.00	
	11/16/2000	PRLD300001	279	555	9111	5431	5431	103			402000		TIME & ATTEND UCU	192.07	0.00	
	11/16/2000	PRLD700001	945	555	9103	5431	5431	103			402000		Non-Productive Time	8.55	0.00	
	11/24/2000	PAY3330020	958	555	1000	5431	5431	103			402000		Compensated Absences	118.58	0.00	
	11/24/2000	PAY3330020	959	555	1002	5431	5431	103			402000		TIME & ATTEND UCU	56.70	0.00	
	11/24/2000	PAY3330020	960	555	9004	5431	5431	103			402000		TIME & ATTEND UCU	342.90	0.00	
	11/28/2000	PRLD300001	231	555	9111	5431	5431	103			402000		Non-Productive Time	49.36	0.00	
	11/28/2000	PRLD700001	865	555	9103	5431	5431	103			402000		Compensated Absences	3.43	0.00	
	12/15/2000	PAY3542325	1041	555	1002	5427	5427	103			402000		TIME & ATTEND UCU	51.95	0.00	
	12/15/2000	PAY3542325	1042	555	1002	5430	5430	103			402000		TIME & ATTEND UCU	31.00	0.00	
	12/15/2000	PAY3542325	1043	555	9004	5430	5430	103			402000		TIME & ATTEND UCU	58.05	0.00	
	12/20/2000	PRLD300001	236	555	9111	5427	5427	103			402000		Non-Productive Time	0.00	15.50	
														0.31	0.00	

PeoplesSoft GL  
FERC TRIAL BALANCE ACTIVITY REPORT  
For Fiscal Year: 2000 Period: 1 to 12 (Incl adj)

Report ID: GLS1515  
Bus. Unit: MGD MGU Energy Delivery  
Currency Code: USD  
FERC

Acct	Jrnl_Date	Jrnl_ID	Seq_Line	Proc	Resrc	Dept	Dept	Chr	Prod	Alloc	Project	Acct	Affl	Jrnl_Hdr_Descr	Debit	Credit	Balance
895000	12/20/2000	APAC047749	33	600	1202	5880	5880	5880	103			402000		AP Accruals	109.88	0.00	10,222.1
	12/20/2000	APAC047946	163	600	1203	6057	6057	6057	103			402000		AP Accruals	6.68	0.00	10,222.1
	12/20/2000	PAY0172317	857	600	1000	5431	5431	5431	103			402000		TIME & ATTEND UCU	61.84	0.00	10,222.1
	12/20/2000	PAY0172317	858	600	1001	5881	5881	5881	103			402000		TIME & ATTEND UCU	26.87	0.00	10,222.1
	12/20/2000	PAY0172317	859	600	1001	5883	5883	5883	103			402000		TIME & ATTEND UCU	367.47	0.00	10,222.1
	12/20/2000	PAY0172317	860	600	1002	5431	5431	5431	103			402000		TIME & ATTEND UCU	450.45	0.00	10,222.1
	12/20/2000	PAY0172317	861	600	1002	5431	5881	5881	103			402000		TIME & ATTEND UCU	192.13	0.00	10,222.1
	12/20/2000	PAY0172317	862	600	1006	5883	5883	5883	103			402000		TIME & ATTEND UCU	161.19	0.00	10,222.1
	12/20/2000	PAY0172317	863	600	1002	5431	5431	5431	103			402000		TIME & ATTEND UCU	113.85	0.00	10,222.1
	12/20/2000	PAY0172317	864	600	1002	5431	5432	5432	103	58210319		402000		TIME & ATTEND UCU	483.57	0.00	10,222.1
	12/20/2000	PAY0172317	865	600	1002	5431	5432	5432	103	58210419		402000		TIME & ATTEND UCU	116.42	0.00	10,222.1
	12/20/2000	PRLD400001	225	600	9112	5881	5881	5881	103	58210519		402000		TIME & ATTEND UCU	116.42	0.00	10,222.1
	12/20/2000	PRLD400001	226	600	9112	5883	5883	5883	103			402000		Non-union Incentive	56.96	0.00	10,222.1
	12/20/2000	PRLD700001	562	600	9103	5431	5431	5431	103			402000		Non-union Incentive	66.22	0.00	10,222.1
	12/20/2000	PRLD700001	563	600	9103	5431	5431	5431	103			402000		Compensated Absences	28.47	0.00	10,222.1
	12/20/2000	PRLD700001	564	600	9103	5431	5432	5432	103	58210319		402000		Compensated Absences	62.86	0.00	10,222.1
	12/20/2000	PRLD700001	565	600	9103	5431	5432	5432	103	58210419		402000		Compensated Absences	15.13	0.00	10,222.1
	12/20/2000	PRLD700001	566	600	9103	5431	5881	5881	103	58210519		402000		Compensated Absences	15.13	0.00	10,222.1
	12/20/2000	PRLD700001	567	600	9103	5881	5881	5881	103			402000		Compensated Absences	20.95	0.00	10,222.1
	12/20/2000	APAC048815	568	600	1202	5882	5882	5882	103			402000		Compensated Absences	50.37	0.00	10,222.1
	12/21/2000	PAY0280049	983	600	1000	5431	5431	5431	103			402000		AP Accruals	73.36	0.00	10,222.1
	12/21/2000	PAY0280049	984	600	1001	5881	5881	5881	103			402000		AP Accruals	616.70	0.00	10,222.1
	12/21/2000	PAY0280049	985	600	1001	5883	5883	5883	103			402000		TIME & ATTEND UCU	53.73	0.00	10,222.1
	12/21/2000	PAY0280049	986	600	1002	5431	5431	5431	103			402000		TIME & ATTEND UCU	110.70	0.00	10,222.1
	12/21/2000	PAY0280049	987	600	1002	5431	5881	5881	103			402000		TIME & ATTEND UCU	1,082.95	0.00	10,222.1
	12/21/2000	PAY0280049	988	600	1002	5882	5882	5882	103			402000		TIME & ATTEND UCU	179.10	0.00	10,222.1
	12/21/2000	PAY0280049	989	600	1006	5883	5883	5883	103			402000		TIME & ATTEND UCU	268.65	0.00	10,222.1
	12/21/2000	PAY0280049	990	600	1002	5431	5431	5431	103			402000		TIME & ATTEND UCU	142.31	0.00	10,222.1
	12/21/2000	PAY0280049	991	600	1002	5431	5432	5432	103	58210319		402000		TIME & ATTEND UCU	626.85	0.00	10,222.1
	12/21/2000	PAY0280049	992	600	1002	5431	5432	5432	103	58210419		402000		TIME & ATTEND UCU	179.10	0.00	10,222.1
	12/29/2000	PRLD400001	265	600	9112	5881	5881	5881	103	58210519		402000		TIME & ATTEND UCU	179.10	0.00	10,222.1
	12/29/2000	PRLD400001	266	600	9112	5883	5883	5883	103			402000		TIME & ATTEND UCU	16.27	0.00	10,222.1
	12/29/2000	PRLD700001	707	600	9103	5431	5431	5431	103			402000		Non-union Incentive	159.19	0.00	10,222.1
	12/29/2000	PRLD700001	708	600	9103	5431	5431	5431	103	58210319		402000		Non-union Incentive	30.27	0.00	10,222.1
	12/29/2000	PRLD700001	709	600	9103	5431	5431	5431	103	58210419		402000		Compensated Absences	81.49	0.00	10,222.1
	12/29/2000	PRLD700001	710	600	9103	5431	5432	5432	103	58210519		402000		Compensated Absences	23.28	0.00	10,222.1
	12/29/2000	PRLD700001	711	600	9103	5431	5881	5881	103			402000		Compensated Absences	23.28	0.00	10,222.1
	12/29/2000	PRLD700001										402000		Compensated Absences	34.92	0.00	10,222.1

895000 Total Activity: 10,222.1  
Ending Balance: 10,222.1



**AQUILA, INC.**  
**CASE NO. ER-2004-0034**  
**DATA REQUEST NO. ILA-0008**  
**TO MISSOURI OFFICE OF THE PUBLIC COUNSEL**

**DATE OF REQUEST:** December 11, 2003

**DATE DUE:** January 12, 2004

**REQUESTOR:** Bev Agut

**BRIEF DESCRIPTION:** Accounting Record-Keeping

**QUESTION:**

A. Does the OPC have any specific issues regarding the level of detail captured in Aquila's current financial accounting system or are the issues outlined in the direct testimony of Ted Robertson solely related to reporting format? If the issues pertain to the level of detail captured in the financial accounting system, please state specifically what Mr. Robertson believes should be changed?

B. Is there a general ledger detail reporting format used by any other regulated utility in the state of Missouri that meets Mr. Robertson's approval or audit needs? If so, please provide the name of the utility or utilities, the financial accounting software utilized, and a sample of the general ledger reporting format. Note: It is understood that the financial information of another utility is considered highly confidential. However, a "mock" reporting format can be created utilizing column header, row descriptions, journal descriptions, etc. that are generic in nature.

**RESPONSE:**

A. OPC's primary concern, at this time, is the reporting format. However, if it is determined that the Company's accounting systems do not capture the data necessary to develop and create a detailed general ledger for the Missouri regulated operations, then data capture issues should also be addressed.

B. It is OPC's understanding that most, if not all, Missouri regulated utilities of any size (e.g., Ameren, Missouri Gas Energy, Missouri Water Company, Southwestern Bell Telephone Company, etc.), excepting Aquila, produce some form of a detailed general ledger. The accounting software programs utilized by the utilities are diverse. Please see the attached representation of a detailed general ledger currently in use by a large Missouri regulated utility.

**ATTACHMENT:**

Attachment to DR ILA0008.xls



Attachment to DR  
ILA 0008.xls

**ANSWERED BY:** Ted Robertson

SCHEDULE BRA-2

Page 1 of 3

Representative Detailed General Ledger Example:

<u>Co.</u>	<u>Main</u>	<u>Sub</u>	<u>Source Cd.</u>	<u>Reference</u>	<u>FY</u>	<u>Period</u>	<u>Amount</u>	<u>Vendor#</u>	<u>Vendor Name</u>	<u>Inv. #/P.O. #/Item Code</u>	<u>Inv. Date</u>
1	8700	0	Allocated	Clearing	2003	1	147.97	n/a	Vehicle Clearing	Vehicle Clearing	n/a
1	8700	0	Allocated	Loading	2003	1	205.09	n/a	Non-productive Time Load	Non-productive Time Load	n/a
1	8710	0	Allocated	Clearing	2003	1	197.50	n/a	Vehicle Clearing	Vehicle Clearing	n/a
1	8710	0	Allocated	Loading	2003	1	237.53	n/a	Non-productive Time Load	Non-productive Time Load	n/a
1	8740	0	Allocated	Clearing	2003	1	7.60	n/a	Vehicle Clearing	Vehicle Clearing	n/a
1	8740	0	Allocated	Clearing	2003	1	153.34	n/a	Vehicle Clearing	Vehicle Clearing	n/a
1	8740	0	Allocated	Clearing	2003	1	35.29	n/a	Vehicle Clearing	Vehicle Clearing	n/a
1	8740	0	Allocated	Clearing	2003	1	183.89	n/a	Vehicle Clearing	Vehicle Clearing	n/a
1	8740	0	Allocated	Clearing	2003	1	1,600.33	n/a	Vehicle Clearing	Vehicle Clearing	n/a
1	8740	0	Allocated	Clearing	2003	1	191.59	n/a	Vehicle Clearing	Vehicle Clearing	n/a
1	8740	0	Allocated	Clearing	2003	1	762.66	n/a	Vehicle Clearing	Vehicle Clearing	n/a
1	8740	0	Allocated	Loading	2003	1	208.56	n/a	Non-productive Time Load	Non-productive Time Load	n/a
1	8740	0	Allocated	Loading	2003	1	307.20	n/a	Non-productive Time Load	Non-productive Time Load	n/a
1	8740	0	Allocated	Loading	2003	1	9.14	n/a	Non-productive Time Load	Non-productive Time Load	n/a
1	8740	0	Allocated	Loading	2003	1	184.42	n/a	Non-productive Time Load	Non-productive Time Load	n/a
1	8740	0	Allocated	Loading	2003	1	2,241.66	n/a	Non-productive Time Load	Non-productive Time Load	n/a
1	8740	0	Allocated	Loading	2003	1	42.44	n/a	Non-productive Time Load	Non-productive Time Load	n/a
1	8740	0	Allocated	Loading	2003	1	1,057.09	n/a	Non-productive Time Load	Non-productive Time Load	n/a
1	8740	0	Allocated	Loading	2003	1	23.89	n/a	Stores Load	Stores Load	n/a
1	8740	0	Allocated	Loading	2003	1	68.11	n/a	Stores Load	Stores Load	n/a
1	8740	0	Allocated	Loading	2003	1	14.03	n/a	Stores Load	Stores Load	n/a
1	8740	0	Allocated	Loading	2003	1	37.98	n/a	Stores Load	Stores Load	n/a
1	8740	0	Allocated	Loading	2003	1	21.20	n/a	Stores Load	Stores Load	n/a
1	8740	0	Allocated	Loading	2003	1	84.74	n/a	Stores Load	Stores Load	n/a
1	8740	0	Allocated	Loading	2003	1	60.08	n/a	Stores Load	Stores Load	n/a
1	8740	0	Allocated	Clearing	2003	1	50.93	n/a	Vehicle Clearing	Vehicle Clearing	n/a

<u>Co.</u>	<u>Main</u>	<u>Sub</u>	<u>Source Cd.</u>	<u>Reference</u>	<u>FY</u>	<u>Period</u>	<u>Amount</u>	<u>Vendor#</u>	<u>Vendor Name</u>	<u>Inv. #/P.O. #/Item Code</u>	<u>Inv. Date</u>
1	9210	9000	A/P	2320	2003	1	2.24	10819	Pinkerton Security	156405	06/02/2002
1	9210	9000	A/P	2320	2003	1	88.19	5313	Southwestern Bell Co.	1986888	06/02/2002
1	9210	9000	A/P	2320	2003	1	595.24	5313	Southwestern Bell Co.	1969206	06/18/2002
1	9210	9000	A/P	2320	2003	1	99.61	5313	Southwestern Bell Co.	1164797	06/27/2002
1	9210	9000	A/P	2320	2003	1	166.57	10819	Pinkerton Security	166797	06/14/2002

1	9230	7000	A/P	2320	2003 1	418.50	3590	Brydon Attorneys	166468	06/29/2002
1	9230	7000	A/P	2320	2003 1	447.74	9743	England Attorneys	166758	06/29/2002
1	9230	7000	A/P	2320	2003 1	5,414.15	18211	Coffman Attorneys	166508	06/29/2002
1	9230	7000	A/P	2320	2003 1	1,875.00	17841	Joe Stokes	1655	06/29/2002
1	9230	7000	A/P	2320	2003 1	255.00	17841	Joe Stokes	1656	06/02/2002
1	9230	7000	A/P	2320	2003 1	130.00	17841	Joe Stokes	1657	06/18/2002
1	9230	7000	A/P	2320	2003 1	115.00	17841	Joe Stokes	1568	06/27/2002
1	9230	7000	A/P	2320	2003 1	730.00	17841	Joe Stokes	1568	07/02/2002
1	9230	7000	A/P	2320	2003 1	370.00	17841	Joe Stokes	6116	07/18/2002
1	9230	7000	A/P	2320	2003 1	220.00	17841	Joe Stokes	6516	07/29/2002
1	9250	1000	A/P	2320	2003 1	3,220.00	10875	Stay's Engineering Inc.	55510	07/01/2002
1	9250	1000	A/P	2320	2003 1	100.00	5696	Health Council	556660	07/18/2002
1	9250	1000	A/P	2320	2003 1	498.00	5696	Health Council	554894	07/29/2002
1	9250	1000	A/P	2320	2003 1	125.00	2751	American Distribution Co.	1668840	07/14/2002
1	9250	1000	A/P	2320	2003 1	800.00	10903	Cole County	55198	07/01/2002
1	9250	1000	A/P	2320	2003 1	92.21	6010	Northern Optical Lab, Inc.	558161	06/18/2002
1	9250	1000	A/P	2320	2003 1	211.10	6010	Northern Optical Lab, Inc.	155987	06/27/2002
1	9250	1000	A/P	2320	2003 1	188.96	6010	Northern Optical Lab, Inc.	191566	07/02/2002
1	9250	1000	A/P	2320	2003 1	183.62	6010	Northern Optical Lab, Inc.	166680	07/18/2002
1	9250	1000	A/P	2320	2003 1	171.25	6010	Northern Optical Lab, Inc.	166884	07/29/2002
1	9260	1010	A/P	2320	2003 1	16,650.00	9816	401K Savings Plan	546000	07/02/2002
1	9260	1010	A/P	2320	2003 1	16,650.00	9816	401K Savings Plan	566600	07/18/2002
1	9260	4000	A/P	2320	2003 1	989.58	5648	Behavioral Health	564899	07/22/2002
1	9260	4000	A/P	2320	2003 1	1,205.00	7475	Roger Rich	556660	07/07/2002
1	9260	5000	A/P	2320	2003 1	2,251.00	9916	401K Def. Comp.	5556661	07/02/2002
1	9260	5000	A/P	2320	2003 1	2,264.00	9916	401K Def. Comp.	5540006	07/18/2002